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20 July 1982

VENEZUELA

I. Venezuelan President Herrera used his address at the third Sandinista anniversary celebration on Monday to reiterate key foreign policy themes.

- A. He again strongly criticized the US for supporting "British colonialism" in the Falklands.
- B. He stressed the need for Latin American unity and for reexamining hemispheric relations.
- C. He lectured Nicaragua on the need to support democratic pluralism.

II. Venezuela's reaction to the Falklands crisis as well as its renewed efforts to press its claims to the Essequibo region of Guyana have led Caracas to try to refurbish its ties to Cuba, and it will probably seek full membership in the Nonaligned Movement this fall.

- A. Caracas hopes to reduce Havana's outspoken support for the Guyanese position and cites Cuba's "cooperative role" in reaching a more balanced statement on the dispute in a recent NAM declaration.
- B. Hard-pressed government party politicians also hope--probably unrealistically--to exploit better relations to gain votes next year.

III. We doubt that a cooperative relationship will develop between Venezuela and Cuba even if they do manage to overcome such obstacles as the Bosch case, the 20 Cuban asylees in the Venezuelan Embassy in Havana, and the lack of support for rapprochement in Venezuelan security and business communities.

- A. The two countries are natural competitors in the Caribbean Basin.
- B. Venezuelans regard Cuba as the principal threat to their own democracy.

IV. Venezuela is likely to continue a basically pro-Western foreign policy and support democratic forces in Central America and the Caribbean, but it will distance itself somewhat from the US and such ventures as the CBI. It is likely to try to play a leading role in Third World and North-South issues.

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